

Message Text

LIMITED OFFICIAL USE

PAGE 01 ROME 15181 170931Z

12

ACTION EB-07

INFO OCT-01 EUR-12 NEA-10 IO-13 ISO-00 L-03 FRB-03 OMB-01

ITC-01 SP-02 USIA-06 AGR-05 AID-05 CIAE-00 COME-00

INR-07 LAB-04 NSAE-00 OIC-02 SIL-01 STR-04 TRSE-00

CIEP-01 CEA-01 AGRE-00 /089 W

----- 040498

R 170835Z SEP 76

FM AMEMBASSY ROME

TO SECSTATE WASHDC 0020

INFO AMEMBASSY LONDON

AMEMBASSY BRUSSELS

AMEMBASSY PARIS

AMEMBASSY GENEVA

AMEMBASSY DACCA

AMEMBASSY NEW DELHI

LIMITED OFFICIAL USE ROME 15181

E.O. 11652: N/A

TAGS: ETRD, UNCTAD, EPAP

SUBJ: FAO AND UNCTAD MEETINGS ON JUTE

REF: GENEVA 7235

SUMMARY: FAO IN PROCESS OF CLEARING JOINT PAPER WITH UNCTAD ON A JUTE COMMODITY AGREEMENT. BASIC FORMAT OF PAPER STARTS WITH UNCTAD COMMODITY RESOLUTION AND APPLIES IT TO JUTE. FAO EXPERT BELIEVES FURTHER MEETINGS ON JUTE WILL BE DETERMINED BY WILL OF FIRST MEETING. DESIRE IS FOR PROGRESS RATHER THAN DISPUTE FORUM. THIS IDEA ALSO ECHOED BY EUROPEAN JUTE INDUSTRY WHICH IS IN DOLDRUMS. BUFFER STOCKS FOR JUTE DO NOT MAKE MUCH SENSE. END SUMMARY.

1. THE FAO SECRETARY OF THE INTERGOVERNMENTAL GROUP ON JUTE DISCUSSED PREPARATIONS FOR THE JUTE MEETING WITH EMBOFF.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 ROME 15181 170931Z

ACCORDING TO MRS. AGOSTINI, PROTECT, SHE HAS JUST FINISHED

JOINT FAO/UNCTAD DOCUMENT FOR UNCTAD JUTE COMMODITY MEETING. PAPER IS NOW BEFORE FAO DIRECTOR-GENERAL AND UNCTAD SECRETARY GENERAL FOR JOINT CLEARANCE BEFORE IT IS RELEASED. PAPER IS BASED ON UNCTAD COMMODITY RESOLUTION AND RELATES JUTE TO THE VARIOUS PROPOSALS CONTAINED IN THAT RESOLUTION. THIS IS DONE IN A VERY GENERAL MANNER AND BEFORE ANY NEGOTIATIONS A GREAT DEAL OF SPECIFICS WOULD HAVE TO BE WORKED OUT ON JUTE GRADES AND RELATIVE PRICES, ETC. ACCORDING TO SOURCE ONE CONCLUSION SHOULD BE THAT JUTE MARKET IS NOT SUSCEPTIBLE TO BUFFER STOCKS BASIC TO UNCTAD COMMODITY APPROACH. SOURCE HAS PROMISED UNCTAD DOCUMENTATION AS SOON AS FAO HAS CLEARED PAPER.

2. AS FOR OTHER DOCUMENTATION FOR FAO INTERGOVERNMENTAL GROUP ON JUTE, THIS WILL CONCENTRATE ON JUTE PRICE SITUATION AND BE TABLED AT MEETING. FAO DOES NOT KNOW HOW COMMODITY AGREEMENT ISSUE WILL BE HANDLED AT INTERGOVERNMENTAL GROUP ON JUTE. THIS IS ISSUE PEOPLE ARE INTERESTED IN AND UNCTAD DOCUMENTATION WILL PROBABLY BE IN PARTICIPANT'S HANDS. ON RECENT TRIP TO JUTE INDUSTRY IN UK AND BELGIUM, SOURCE FOUND NO INDUSTRY SUPPORT FOR BUFFER STOCKS, BUT GENERAL DESIRE TO MOVE RAPIDLY AHEAD ON JUTE COMMODITY AGREEMENT THAT WOULD BRING SOME ORDER TO MARKET. JUTE BUSINESS IN EUROPE STILL IN DOLDRUMS WITH STRONG SYNTHETIC COMPETITION. UK ESPECIALLY DISCOURAGED AS NEW EEC AGREEMENTS WITH BANGLADESH AND INDIA ALLOW EEC COUNTRY IMPORT SHORTFALLS OF JUTE BAGGING TO BE APPLIED AGAINST COUNTRY QUOTA CEILING. CEILING HAS BEEN REACHED, IN UK BUT OTHER COUNTRIES' SHORTFALLS ARE NOW COMING IN. UK ALSO SOMEWHAT HURT BY SHIFT OF QUOTING BANGLADESHI INDICATIVE PRICE FOR JUTE IN DOLLARS RATHER THAN POUNDS. HOWEVER, INDICATIVE PRICE AGREED TO AT LAST IG ON JUTE HAS HELD UP QUITE WELL.

3. AGOSTINI HAD PARTICIPATED IN EARLIER FAO/UNCTAD MEETINGS ON COORDINATION OF WORK FOR COMMODITY MEETINGS. AGOSTINI BELIEVED MEETINGS WENT WELL. UNCTAD OFFICIALS WERE ADAMANT THAT FIRST ROUND OF TALKS HAD TO BE AT UNCTAD IN GENEVA, BUT THEREAFTER THEY SEEMED TO HAVE OPEN MIND ON FORUM AND LOCUS OF COMMODITY GROUP MEETINGS. IN HER OPINION UNCTAD SECRETARIAT WOULD GO ALONG WITH WILL OF JUTE MEETING IN GENEVA. SHE FELT THAT DECISION IN JUTE CASE WOULD DEPEND ON WHERE DELEGATES THOUGHT THE MOST RAPID PROGRESS COULD BE OBTAINED. DESPITE EMBOFF ARGUMENTS, AGOSTINI LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 ROME 15181 170931Z

LOOKED BACK ON ELEVEN MEETINGS OF INTERGOVERNMENTAL GROUP ON JUTE AND DID NOT SEE ENOUGH SIGNS OF PROGRESS TO JUSTIFY OPTIMISM. MOST TELLING ARGUMENT BESIDES SMALL SIZE OF IG ON JUTE AND ITS EXPERTISE WAS THAT ANY NEW COMMITTEE WOULD INVOLVE LONG INITIAL NEGOTIATIONS WHILE IG ON JUTE COULD BEGIN IMMEDIATELY CONSIDERING WHAT MIGHT CONSTRUCTIVELY BE INCLUDED IN A JUTE AGREEMENT. BEAUDRY

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: COMMODITIES, JUTE, FOODS, RESOLUTIONS, PLANNING MEETINGS
Control Number: n/a
Copy: SINGLE
Draft Date: 17 SEP 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: morefirh
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976ROME15181
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760352-0589
From: ROME
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760948/aaaabpel.tel
Line Count: 114
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 76 GENEVA 7235
Review Action: RELEASED, APPROVED
Review Authority: morefirh
Review Comment: n/a
Review Content Flags:
Review Date: 06 APR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <06 APR 2004 by BoyleJA>; APPROVED <06 APR 2004 by morefirh>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: FAO AND UNCTAD MEETINGS ON JUTE
TAGS: ETRD, EPAP, UNCTAD, FAO
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006